

MONEY-ED

www.clubhousew1.org/moneyed

Introducing the Personal Finance Project

Money-Ed is based at All Souls Clubhouse but directly funded by All Souls for the benefit of the entire All Souls family and the parish. As personal financial education is often confused with other forms of 'money ministry', it is probably easiest to begin by explaining what it is not.

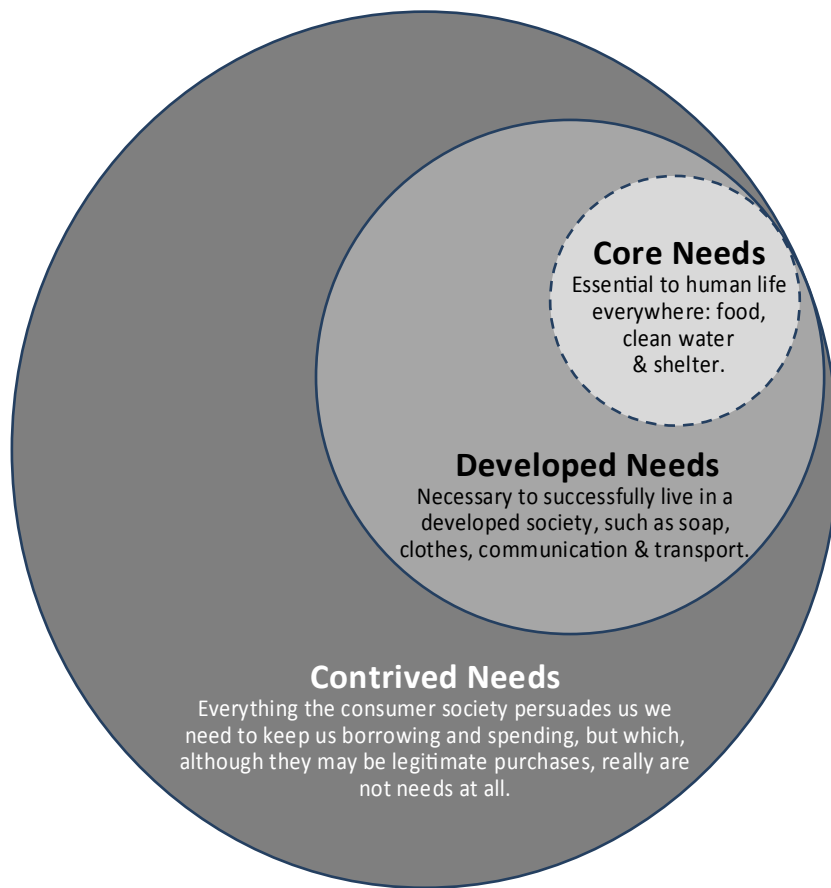
- It is not debt advice or counselling. Debt advisers do at least four things: help the person in debt to maximise their income, show them where they could save money, verify exactly how much they owe and negotiate on their behalf with their creditors.
- It is not money guidance or budget coaching. This is where trained advisers help people choose suitable financial products, like bank accounts and mobile phone contracts, or talk them through setting up a budget for the first budget.
- It is not financial or investment advice. Although personal financial education can

explain how investments and pensions work, and how to choose sensibly, it will not recommend specific products or help people to obtain them.

Personal financial education focuses on equipping and empowering people to make their own good choices and to understand the limits of their own competence. Just as when trying to fix a computer problem or a car engine, it is good to know when to give up and seek expert help to avoid making a bad situation worse.

Effective financial education motivates changes in behaviour, such as creating a budget, reducing credit card and overdraft balances, saving, planning for retirement and starting an emergency fund that reduces dependence on credit and insurance. It should result in people having fewer liabilities and increased net worth. Research indicates that people who act on financial education are, after about 10 years, on average better off by a whole year's income.





Contrived Needs is developed from Dr Oliver James' concept of confected needs explained in his book, Affluenza.

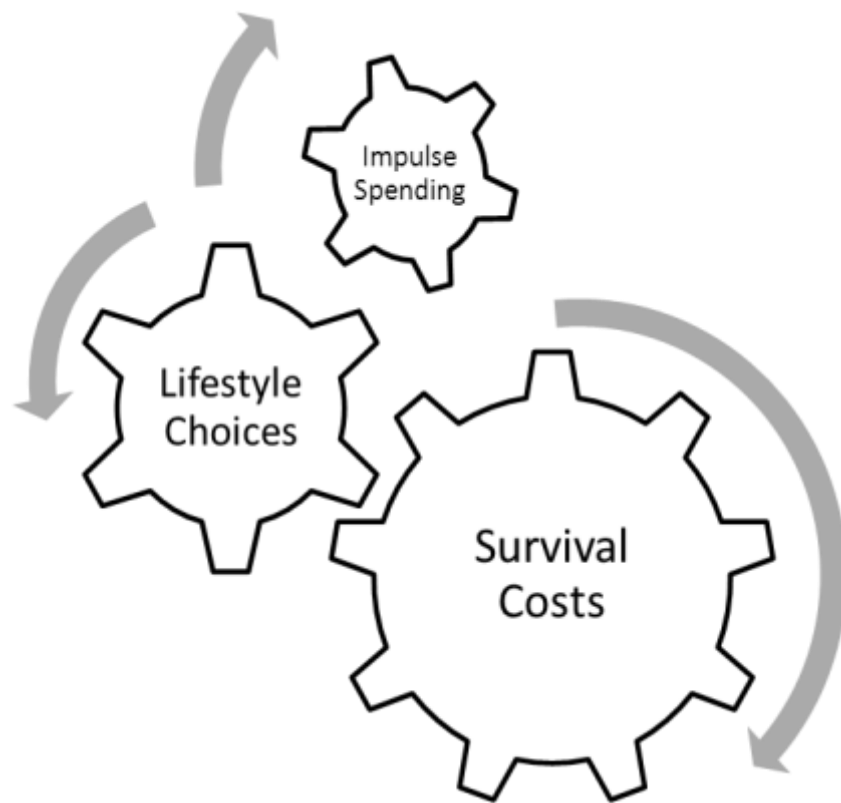
More important than the financial benefits, people who handle their money well can live better quality lives. We daily face an army of advertisers and sales people trying to circumvent our rationale and target our emotions, so that we will buy new clothes, cosmetics, fashion accessories, gadgets, entertainments and holidays. But if we spend our money like that, we cannot use it to develop our own unique character and abilities, meet our priorities or fulfil our dreams. Personal financial education can therefore do a great deal of good helping people to identify personal preferences and exercise personal freedom. It can help them challenge consumerism and materialism and live with greater contentment, whether they have plenty or little.

Financial education can clear a path for the Gospel, helping people to see beyond the illusions of materialism. Christ said that it is harder for a rich person to enter the Kingdom of God than for a camel to crawl through the eye of a needle. He said it after he met a devout, rich young ruler who could not bring himself to transfer the trust he had in his inherited wealth to God alone. By comparison with

our grandparents and with most of the people living in the world today, we in the UK are rich! This affluence can occupy us with secondary things: not having to worry about where our next meal is coming from, we worry about how it will taste; with too much leisure time, we strive for novelty. This builds addiction to routine comfort that undermines inner values and higher priorities and can corrupt the qualities needed to enter the Kingdom of God, like teachability, trust and child-like dependence.

These problems can remain after people commit themselves to Christ. In the parables of the sower, Christ likened the cares of this world, the deceitfulness of riches, the desires for things and the pleasures of life to thorns that choke the Word of God and Christian growth, so that no 'fruit' is brought to 'maturity'. Paul was explicit that Christians 'who desire to be rich fall into temptation and a snare, and into many foolish and harmful lusts which drown men in destruction and perdition'.

It follows that personal financial education can help Christians become better disciples of Christ, evaluating the norms and expectations of our



Different spending categories need to fit together to create an effective, working budget. Saving can be viewed as either a survival cost, a pragmatic alternative to some credit and insurance costs, or as a lifestyle choice, preparing to fulfil a career or other ambition.

consumer society and living as Jesus described in the Sermon on the Mount.

Is there anything distinctive about a 'Christian' approach to personal finance? Again, it is probably easiest to first eliminate some misconceptions.

- It is not giving-led, as the 'Prosperity Gospel' teaches or as some who teach traditional tithing may inadvertently imply. Malachi 3 speaks about the consequences of 'robbing God' and this frightens some Christians into thinking that God will not bless them if they do not give. Even those who do not believe that tithing is mandatory nevertheless see in the general principle of 'sowing and reaping', such as explained in 2 Corinthians 9, a direct link between giving and blessing. But neither tithing nor sowing and reaping imply an *automated* payback for generosity. While God is pleased with obedience, the deeper purpose is to transform Christians into people who can be trusted with blessing.
- It is not steering a middle course between a

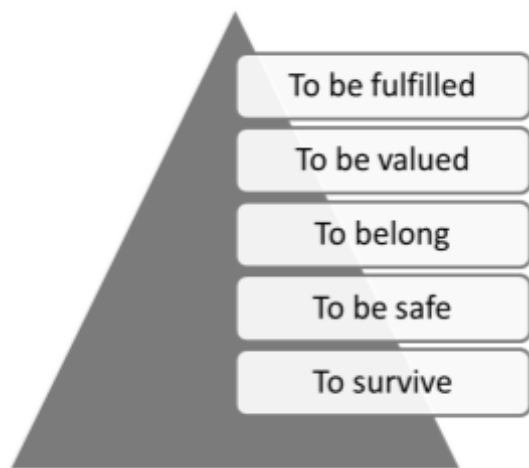
traditional Christian austerity, like the vow of poverty expected of 'spiritual' people, and the extravagance of modern consumerism.

It is as important to consider our relationship with money as it is to consider the specific ways we get and use it. Sometime after meeting the rich young ruler, Jesus met a tax collector named Zacchaeus, who was prepared to change his allegiance from money to trust God unequivocally. Although he had profited from the dubious practices of his profession, he undertook to give half of his possessions to the poor and to repay everyone he had cheated four times over. Zacchaeus was an accountant and knew this meant not only the end of his fortune but also, if he began to do his job honestly, the end of his comfortable lifestyle. He realised that money would not be nearly so important to him from then onwards.

In Sermon on the Mount, Christ explains how his followers are to live and, at its heart, is his paradigm for handling money.

- Do not worry or fret about material things like food and clothing.

Dr Abraham Maslow first formulated this hierarchy of human needs in 1943. It is by exploiting these needs that we are persuaded to buy what we do not really need and did not previously want.



- Make seeking God's Kingdom and his righteousness the sole lifestyle priority.
- Trust God for basic needs.

Paul wrote something similar in 1 Timothy 6, when he warned about the dangers of avarice (the love of money): be content with food and clothing; flee avarice and greed; pursue righteousness, godliness, faith, love, steadfastness and gentleness.

The extent to which Christians can dare to live this way is the extent to which we trust God to underwrite our obedience to Christ's teaching, such as everything else he said in the Sermon on the Mount.

CLUBHOUSE MONEY-ED

All Souls Clubhouse produce literature and run free courses to help people handle money well. Check out the website for free downloads:

www.clubhousew1/moneyed

WHERE TO GET FREE ADVICE

This leaflet is not a guide to personal finance. You cannot hold Clubhouse, the author, or anyone else involved in its production responsible for any action you take, or fail to take, based on what is written here. You should get expert help if you think you could benefit from help with money problems or debt.

You will find local advice agencies listed in the front of telephone directories or on display in local libraries. Or you can call National Debtline on **0808 808 4000**: the call is free from landlines and most mobile networks. Or look on these websites:

www.nationaldebtline.co.uk

www.citizensadvice.org.uk

adviceuk.org.uk

www.gracedebtadvice.org

www.capuk.org

Copyright © All Souls Clubhouse Community Centre & Church and Philip Evans 2013.

You are welcome to copy this leaflet for free distribution.

The Money-Ed project works in various ways.

- Free literature to help different income groups and to explain specific spending issues, like supermarket shopping, insurance and credit costs.
- Short courses delivered in an afternoon or evening, such as **Money: the small print**, a general introduction to financial capability skills, and **Debtability**, which equips ministers, fellowship group leaders, youth leaders, community workers and others to help people through financial crisis and debt.
- One-to-one conversations at community groups.

Information about the courses and free literature is on the Money-Ed page of the Clubhouse website.

As you pray for the Money-Ed project, please ask:

- For the free literature to find its way to the people who most need it.
- For community and church leaders to see the potential and find out how to better help others.
- For Christians to revisit their own attitudes to money, so they can live more effectively as disciples of Christ and more readily fulfil his great commission to 'make disciples of all nations'.

Philip Evans

e-mail: money-ed@clubhousew1.org

December 2013